

CAYMAN ISLANDS



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**THE CAYMAN ISLANDS REGISTERED STOCK
(AMENDMENT) LAW, 2003
(LAW 1 OF 2003)**

The Cayman Islands Registered Stock (Amendment) Law, 2003

ARRANGEMENT OF SECTIONS

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23. Amendment of section 44- inspections of registers and documents.
24. Amendment of section 45-regulations.
25. Amendment of section 46-immunity.
26. Insertion of section 46A- waiver of sovereign immunity.

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CAYMAN ISLANDS

Law 1 of 2003

I Assent

B.H DINWIDDY

Governor.

Date: 27 March, 2003

**A LAW TO AMEND THE CAYMAN ISLANDS REGISTERED STOCK
LAW; AND FOR INCIDENTAL AND CONNECTED PURPOSES**

ENACTED by the Legislature of the Cayman Islands.

1. This Law may be cited as the Cayman Islands Registered Stock (Amendment) Law, 2003. Short title
2. The Cayman Islands Registered Stock Law, 2002, in this Law referred to as “the principal Law”, is amended as follows- Amendment of the
Cayman Islands
Registered Stock Law,
2002
 - (a) by changing the short title of the Law to the Cayman Islands Government Securities Law, 2002; and
 - (b) by repealing the word “stock” wherever it appears and substituting therefor the word “securities”.
3. The principal Law is amended in section 2 as follows- Amendment of section
2- Interpretation
 - (a) by inserting the following definitions in their appropriate alphabetical order-
“civil proceedings” do not include proceedings which in England would be taken on the Crown side of the Queen’s Bench Division”;

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“Crown” means Her Majesty in right of Her Government in the Islands;

“fiscal agent” includes any bank, corporation or company appointed by the Governor in Council to be the fiscal agent of the Government for the service of securities;

“Governor ” means the person for the time being holding the office of Governor of the Islands, and includes any person for the time being lawfully performing the functions of that office under section 1 of Schedule 2 to the Cayman Islands (Constitution) Orders 1972 to 1993, and to the extent to which a Deputy appointed under section 4 of Schedule 2 to the Cayman Islands (Constitution) Orders 1972 to 1993 is authorised to act, that Deputy; and

“registered securities” means securities, including notes, bonds and debentures authorised to be issued under this Law.”;

- (b) by repealing the definition “registered stock” and “stock”; and
- (c) by repealing the definition “stockholder” and substituting the following-

“securities holder” means a person holding registered securities who is entered as owner in the register.

Amendment of section 6- Financial Secretary to give directions as to name of stock and other matters

4. The principal Law is amended in section 6 (1) as follows-

- (a) by repealing the word “shall” where it first appears and substituting the word “may”;
- (b) in paragraph (c), by inserting before the word “denominations” the words “ form and”;
- (c) in paragraph (d), by inserting after the word “rate” the words “or rates”;
- (d) in paragraph (e), by repealing the words “in each year”; and
- (e) by inserting after paragraph (h) the following paragraph-
“(i) any other matter related to each issue of securities.”.

Insertion of section 7A- nature, form etc of securities

5. The principal Law is amended by inserting after section 7 the following section-

“Nature, form etc of securities

7A. (1) Securities shall be direct, unconditional and general obligations of the Islands, and the full faith and credit of the Islands shall be unconditionally pledged for the payment of the principal of and interest on securities

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and any premium, charge, assessment or other expense which may be incurred in connection with the issue or redemption thereof and for the performance of all the covenants and obligations of the Islands thereunder or with respect thereto.

(2) The principal of and the interest on securities, any other payments to be made with respect to such securities and any sinking fund payment to be made under section 25 are hereby charged on and shall be payable out of the revenue.”.

6. The principal Law is amended in section 8 by repealing the word “shall” and substituting the word “may”. Amendment of section 8- the Registrar
7. The principal Law is amended in section 10 (1) by inserting after the word “Law” where it appears for the second time the words “or by the terms of the securities”. Amendment of section 10- register of stock
8. The principal Law is amended by inserting after section 11 the following section- Insertion of section 11A- fiscal agents
- “Fiscal agents 11A. Notwithstanding any other provisions in this Law the Governor in Council may, on such terms and conditions as it thinks fit, and when it considers it necessary so to do, authorise a fiscal agent to carry out any or all of the duties and functions of the Registrar under this Law.”.
9. The principal Law is amended by repealing section 14 and substituting the following- Repeal of section 14- stock certificate
- “ 14.(1) Subject to the provisions of subsection (2) the Registrar may issue to every securities holder a securities certificate in such form as may be determined by the Financial Secretary from time to time.
- (2) Where a security is held by 2 or more persons jointly they shall nominate in writing to the Registrar the person to whom the securities certificate may be issued.”.
10. The principal Law is amended in section 15 by repealing the words “ as may be prescribed” and substituting the words “as may be determined by the Financial Secretary”. Amendment of section 15 - transfer of registered stock

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- Amendment of section 16- registration of transfer stock
11. The principal Law is amended in section 16 as follows-
- (a) in subsection (1), by repealing the words “in the prescribed form”; and
 - (b) in subsection (2), by inserting after the word “lost” a comma and the word “stolen”.
- Repeal of section 17
12. The principal Law is amended by repealing section 17.
- Amendment of section 18- register to be conclusive evidence of facts entered therein
13. The principal law is amended in section 18 (1) by inserting after the word “relate” the words “unless a securities holder or his representative indicates to the satisfaction of the Registrar that there is a manifest error”.
- Amendment of section 19- liability of government in respect of issue of stock
14. The principal law is amended in section 19 by inserting after the word “thereon” the words “and any premium, charge, assessment or other expense which may be incurred in connection with the issue or the redemption thereof”.
- Repeal of section 20 and substitution -payment out of revenue for payment of interest
15. The principal Law is amended by repealing section 20 and substituting the following-
- “20. As long as interest is payable under this Law in respect of any security, the Financial Secretary shall cause to be paid out of the revenue a sum sufficient to meet all interest payable during a particular financial year and shall authorise and direct the Accountant General to pay to the Registrar such sums for the payment of that interest (including penalty interest) within sufficient time to enable the Registrar to make timely payments of interest to securities holders in accordance with the terms of the securities.” .
- Repeal of sections 21 and 22
16. The principal Law is amended by repealing sections 21 and 22.
- Repeal of section 23 and substitution -payments
17. The principal Law is amended by repealing section 23 and substituting the following-
- “23. All payments of interest and all repayments of the principal amount due on any registered securities and all payments of any premium, charge, assessment or other expense which may be incurred in connection with the issue or redemption thereof shall be made by the Registrar in the Islands “unless otherwise directed by the Financial Secretary under section 6.”.
- Amendment of section 28- investment of sinking fund
18. The principal Law is amended in section 28 as follows-
- (a) by repealing subsection (1) and substituting the following-

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“(1) All money paid into the sinking fund established under section 24 may be invested by the trustees in investments approved from time to time by the Financial Secretary.”;

- (b) by repealing subsection (2); and
- (c) in subsection (3), by repealing the words “Governor in Council” and substituting the words “Financial Secretary”.

19. The principal Law is amended by repealing section 34 and substituting the following-

Repeal of section 34 and substitution-issue of duplicates

“34. The Registrar may issue a duplicate certificate where it is proved to his satisfaction that the original certificate has been lost, stolen, damaged or destroyed.”.

20. The principal Law is amended in section 36 by inserting after the word “or” where it first appears a comma and the words “if the Financial Secretary so requires in directions made under section 6”.

Amendment of section 36-indemnity bonds

21. The principal Law is amended in section 38 by repealing the words “by the Registrar”.

Amendment of section 38- signature of person authorised to sign stock certificate may be printed.

22. The principal Law is amended by repealing section 40 and substituting the following-

Repeal of section 40 and substitution- documents to be in prescribed form

“Documents to be in form determined by the Financial Secretary

40. All documents or instruments made or used under the provisions of this Law shall be in such form as may be determined by the Financial Secretary and any documents and instruments which are required to issue securities under this Law shall be signed and executed by either the Governor or the Financial Secretary.”.

23. The principal Law is amended in section 44 (1) by inserting after the word “prescribed” the words “or decided in accordance with financial agreements made pursuant to this Law.”.

Amendment of section 44- inspections of registers and documents

24. The principal Law is amended in section 45 (1) as follows-

Amendment of section 45-regulations

- (a) by repealing paragraph (a) and substituting the following-

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“(a) the time, manner, and place in which payment of amounts due in respect of securities is to be made and acknowledged”;

(b) in paragraph (e) by repealing the word “a” where it first appears and substituting the word “and”.

Amendment of section 46- immunity

25. The principal Law is amended in section 46 by inserting after the word “faith” the words “or constituted wilful misconduct or negligence”.

Insertion of section 46A- waiver of sovereign immunity

26. The principal law is amended by inserting after section 46 the following section-

“Waiver of sovereign immunity

46A. This Law binds the Crown and authorises civil proceedings to be taken against the Crown in respect of any alleged liability of the Crown arising out of any obligation under this Law and whether such alleged liability arises inside or outside of the Islands.”.

Passed by the Legislative Assembly the 26th day of March, 2003.

CLINE GLIDDEN JR.

Speaker.

WENDY LAUER EBANKS

Clerk of the Legislative Assembly.



(Price \$2.40 Cents)